STATE EXHIBIT NO. 3 DOCKETNO. 05-712 and 05-713

## **BOB F. ANDERSON, PE, INC.**

PETROLEUM ENGINEERS & CONSULTANTS
TELEPHONE (318) 425-4230
FACSIMILE (318) 222-1054
email: bfandpe@bellsouth.net

May 20, 2005

Honorable James H. Welsh, Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Proposed Additional Units
Hosston Formation, Reservoir A
Cotton Valley Formation, Reservoir A
Caspiana Field
DeSoto Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of WINCHESTER PRODUCTION COMPANY, (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Hosston Formation, Reservoir A and the Cotton Valley Formation, Reservoir A, in the Caspiana Field, DeSoto Parish, Louisiana:

- 1. To establish five (5) additional 640 +/- acre drilling and production unit for the exploration for and the production of gas and condensate for the Hosston Formation, Reservoir A, such units being designated HOSS RA SU80 thru HOSS RA SU84 and for the Cotton Valley Formation, Reservoir A, such units being designated CV RA SU73 thru CV RA SU77, in the Caspiana Field, DeSoto Parish, Louisiana, such units being shown on the attached plat and being made a part hereof.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property within each of the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract to share in the unit production on a surface acreage bases of participation.
- 3. To designate a unit operator and unit well where applicable.
- 4. To extend the provisions of the 191-B Series of Office of Conservation Orders and other applicable Statewide Orders to the proposed Hosston Formation, Reservoir A, units being proposed herein and the 191-A Series of Office of Conservation Orders and other applicable Statewide Orders to the proposed Cotton Valley Formation, Reservoir A, units being proposed herein.

Hon. James H. Welsh Caspiana Field

5. To consider and cover such other matters as the Commissioner of Conservation may deem and appropriate.

The Hosston Formation, Reservoir A, was defined in the 191-B Series of Office of Conservation Orders and the Cotton Valley Formation, Reservoir A, was defined in the 191-A Series of Office of Conservation Orders, in the Caspiana Field, Caddo and DeSoto Parishes, Louisiana,.

A pre-application notice was sent to all parties stating a time and date for a conference to discuss the proposed application, however, no request for a conference was received, therefore no conference was held.

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained at the expense of the requesting party.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list.

Our check, made payable to the Office of Conservation, for the applicable hearing fee is attached.

Yours truly,

B. F. Anderson, PE for

WINCHESTER PRODUCTION COMPANY

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation Interested Owners, Represented Parties and Interested Parties Winchester Production Company

